

TENNESSEE WASTEWATER SYSTEMS, INC.

A PUBLIC UTILITY CO.

May 6, 2005

Honorable Pat Miller
Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

05-00138

RE: Petition to amend Certificate of Convenience and Necessity

Dear Chairman Miller:

Tennessee Wastewater Systems, Inc. desires to expand its service area to include a portion of Grainger County, Tennessee, known as the German Creek Marina and Resort. The attached Petition is in support of our request.

Sincerely,



Charles Pickney, Jr., President
Tennessee Wastewater Systems, Inc.

7638 River Road Pike Nashville TN 37209-5733
(615) 356-2880 Fax (615) 356-7295

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

_____, 2005

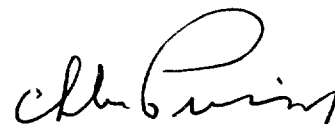
**IN RE: PETITION OF TENNESSEE WASTEWATER SYSTEMS,
 INC. TO AMEND ITS CERTIFICATE OF
 CONVENIENCE AND NECESSITY**

DOCKET No. _____

Petition of Tennessee Wastewater Systems, Inc.
To amend its Certificate of Convenience and Necessity

Tennessee Wastewater Systems, Inc. ("TWS") petitions the Tennessee Regulatory Authority ("TRA") to amend TWS's Certificate of Convenience and Necessity to expand its service area to include a portion of Grainger County known as the German Creek Marina and Resort (See proposed service area map Exhibit "A"). We are proposing to provide wastewater service to a marina, a clubhouse, 208 rental/residential condominiums, a small commercial center, and twenty rental cabins. Phase I of the project will consist of 64 rental/residential condominiums, a clubhouse, and a small commercial center. The wastewater system that will be built for Phase I will have a capacity of 20,000 gallons per day. The system will be designed and constructed to serve the above referenced Phase I buildings and have approximately 25% reserve capacity. It will be expanded later to serve future Phases. Estimated system revenue based on Phase I is on the attached sheet. Also, attached is a letter from Cherokee Lake Development, LLC expressing their desire for service. We have not applied for a TDEC permit and no contracts have been signed at this point. It is the intention of the parties that Tennessee Wastewater will own the collection, treatment, and dispersal system and will own a permanent easement on the property that the system occupies. Neither the City of Bean Station, nor the Grainger County Government desires or has plans to provide sewer service to this area (See attached letters). The parcel encompasses approximately 42 acres. The property includes parcels 23, 23.02, 24.02, 24.03, 24.01, 24.04 and 27.04, and is shown in the enclosed Tax Map 42. After approval, the construction of the Phase I system, which is comprised of watertight effluent collection, fixed film treatment and subsurface drip dispersal will take approximately 90 days to complete and the estimated value of the contribution in aid of construction is \$300,000.00. (Tennessee Wastewater will not invest any capital in the system).

Respectfully submitted,



Charles Pickney Jr., President
Tennessee Wastewater Systems, Inc.

German Creek Marina and Resort
Estimated System Costs and Revenues For Five Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Costs	17,500	26,200	35,000	35,000	35,000
Revenues	19,000	28,500	38,000	38,000	38,000

**Tennessee Wastewater Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates**

System	Monthly Charge
Oakwood Subdivision – Maury County – 99-00393 - Sheet 1	\$35.11
Southridge Subdivision – Montgomery County – 97-01104 - Sheet 2	\$23.94 + actual costs
Swan Harbor – Roane County – 97-01003 – Sheet 3	\$35.11
River Road Utility District – Cheatham County – 97-01394 – Sheet 4	\$31.15
Milcrofton Utility District – Williamson County – 97-01393 – Sheet 5	\$37.21
Tall Oaks Subdivision – Blount County – 98-00790 - Sheet 6	\$35.11
Yoakum Hollow Dev. (Windsor Pt) – Campbell County – 98-00881 – Sheet 7	\$35.11
Shreibman Development – Cannon County – 98-00880 – Sheet 8	\$35.11
Cornerstone of Mitchell Creek – Overton County – 99-00357 – Sheet 9	\$35.11
Bolton Area – Shelby County - 99-00724 – Sheet 10	\$32.68
Ussery #1- Sevier County – 00-00198 – Sheet 11	\$35.11
Harbor Pointe – Dekalb County – 00-00149 - Sheet 12	\$35.11
Hidden Springs Resort – Sevier County – 00-00379 - Sheet 13	\$35.11
Eagle Crest Development – Sevier County – 01-00234 – Sheet 14	\$35.11
Legacy Bay – Hawkins County – 00-00622 - Sheet 15	\$35.11
Dollywood Project (Dream Catcher Ridge) - Sevier County – 01-00424 – Sheet 16	\$35.11
Homestead Subdivision – Sevier County – 01-00423 – Sheet 17	\$35.11
Rice Property (Blue Water Bay) – DeKalb County – 01-00425 – Sheet 18	\$35.11
East Stewart – Stewart County – 01-00229	Lagoon – Sheet 19 \$30.98
	Fixed Film Treatment – Sheet 20 \$35.11
Fees: Nonpayment – 5%, Disconnection - \$10, Reconnection - \$15, Return Check - \$20, Access - \$84/yr	

**Tennessee Wastewater Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates**

System	Monthly Charge
Eagle Springs Subdivision – Sevier County – 01-00445 – Sheet 21	\$35.11
Jackson Bend Subdivision – Blount County - 01-00221 – Sheet 22	\$35.11
Browning Subdivision – Knox County – 01-00492 – Sheet 23	\$35.11
Starr Crest II – Sevier County - 01-00755 – Sheet 24	\$35.11
City of Coopertown - Robertson County - 00-01128	
Lagoon – Sheet 25	\$30.98 +
	3% Franchise fee
Fixed Film Treatment – Sheet 26	\$35.11 +
	3% Franchise fee
Horseshoe Bend – Bedford County – 01-01025 – Sheet 27	\$35.11
Eagle Crest II - Sevier County – 01-01128 – Sheet 28	\$35.11
Eagle Crest Resort – Sevier County – 01-00183 – Sheet 29	\$35.11
Gnatty Branch Retreat – Sevier County – 02-00055 – Sheet 30	\$35.11
Airbase Road Condominiums – Blount County – 02-00478 - Sheet 31	\$35.11
Goose Creek Area -Williamson County – 02-00172 – Lagoon - Sheet 32	\$35.50
Fixed Film Treatment – Sheet 33	\$40.71
Falling Waters – Sevier County – 02-00782 – Sheet 34	\$35.11
Stewart County West – Stewart County – 02-00477 - Sheet 35	\$35.11
Lighthouse Point Condominiums – Jefferson County – 02-00732 – Sheet 36	\$35.11
The Highlands – Sevier County – 02-00781 – Sheet 37	\$35.11
Highland Cove – Dekalb County – 03-00242 – Sheet 38	\$35.11

Fees: Nonpayment – 5%, Disconnection - \$10,
Reconnection - \$15, Return Check - \$20, Access - \$84/yr

Tennessee Wastewater Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates

System	Monthly Charge
Tims Ford State Park Area-Franklin County - 03-00286 - Lagoon – Sheet 39	30.98 +
Fixed Film Treatment – Sheet 40	bonding costs 35.11+
	bonding costs
Black Bear – Sevier County – 03-00192 – Sheet 41	\$35.11
Sunnybrook – Robertson County – 03-00307 – Sheet 42	\$35.11
Sevier County – Sevier County – 03-00045	
Lagoon – Sheet 43	\$30.98
Fixed Film Treatment – Sheet 44	\$35.11
Smoky Cove Subdivision – Sevier County – 03-00377 – Sheet 45	\$35.11
King Branch Road – Sevier County – 03-00386 – Sheet 46	\$35.11
Paris Landing - Henry County – 03-00544 – Lagoon Treatment – Sheet 47	\$30.98
Fixed Film Treatment – Sheet 48	\$35.11
Walnut Grove – Giles County - 04-00054 – Sheet 49	\$35.11
Turner’s Landing – Hamblen County – 04-00053 – Sheet 50	\$35.11
Spring Creek Ranch – Shelby County – 04-00123 - Sheet 51	\$35.11
Marion Womack Property (Creekview Estates) – Sumner County – 04-00170 – Sheet 52	\$35.11
Arbor Crest Subdivision – Davidson County – 04-00171 – Sheet 53	\$35.11
Merril Taylor Subdivision – Blount County - 04-00274 – Sheet 54	\$35.11
Wyndsong Subdivision – Blount County – 04-00395	\$35.11
Huffines Development – Robertson County – 04-00393	\$35.11
Williamson County West - Williamson County – 04-00394	
Lagoon	\$35.50
Fixed Film Treatment -	\$40.71
Fees: Nonpayment – 5%, Disconnection - \$10,	
Reconnection - \$15, Return Check - \$20, Access - \$84/yr	

**Tennessee Wastewater Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates**

System	Monthly Charge
Trillium Cove Condominiums – Blount County – (Pending)	\$35.11
Marvin Keys RV Park – Cocke County – (Pending)	\$35.11
Blackberry Ridge Subdivision – Bedford County – (Pending)	\$35.11
Steve Jones Subdivision – Union County – (Pending)	\$35.11
Grainger’s Landing Condominiums – Grainger County – (Pending)	\$35.11
German Creek Marina and Resort – Grainger County	\$35.11

Fees: Nonpayment – 5%, Disconnection - \$10,
Reconnection - \$15, Return Check - \$20, Access - \$84/yr

Tennessee Wastewater Systems, Inc.
Sewer Systems with Commercial Customers

System	County
Townsend Town Square – 99-00659	Blount County
Coopertown - 00-01128	Robertson County
East Stewart – 01-00229	Stewart County
Highway 31 Project (Herndon's BP) - 01-00446	Robertson County
Lyles Texaco - 01-00756	Hickman County
Topside Business Park – 01-00220	Blount County
Stewart County West - 02-00477	Stewart County
Cedar Hill Baptist Church – 03-00287	Robertson County
Tims Ford Area – 03-00286	Franklin County
Sunnybrook - 03-00307	Robertson County
Sevier County - 03-00045	Sevier County
Smoky Cove Subdivision – 03-00377	Sevier County
King Branch Road – 03-00386	Sevier County
Weigel's Convenience Store – 03-00519	Roane County
Paris Landing Area – 03-00544	Henry County
Turner's Landing – 04-00053	Hamblen County
Spring Creek Ranch – 04-00123	Shelby County
Marion Womack Property (Creekview Estates) – 04-00170	Sumner County
Arbor Crest Subdivision – 04-00171	Davidson County
Merril Taylor Subdivision - 04-00274	Blount County
Black Bear Ridge Expansion – 04-00045	Sevier County

Tennessee Wastewater Systems, Inc.
Sewer Systems with Commercial Customers

System	County
Legacy Laurel Branch - 04-00045	Sevier County
Legacy Mountain – 04-00045	Sevier County
Legacy the Preserves – 04-00045	Sevier County
Starr Crest II Phase 4 – 04-00045	Sevier County
Timber Tops Rental Center – 04-00045	Sevier County
Trailhead – 04-00045	Sevier County
Wyndsong Subdivision – 04-00395	Blount County
Huffines Development – 04-00393	Robertson County
Williamson County West - 04-00394	Williamson County
Trillium Cove Condominiums (Pending)	Blount County
Tennessee State Bank-Wears Valley Branch (Pending)	Sevier County
Marvin Keys RV Park (Pending)	Cocke County
Brownlee Commercial Building (Pending)	Blount County
Grainger’s Landing Condominiums (Pending)	Grainger County
German Creek Marina and Resort	Grainger County

Tariff Rate Sheet

Commercial Sewer Rates – without food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$75 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$73.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$15.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

<u>Treatment</u>	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
	<u>Sand-Gravel Filter</u>	\$140.00	\$165.00
	<u>Lagoon</u>	\$116.00	\$140.00
	<u>* Off Site</u>	N/A	N/A
			Pass through costs & \$73.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$116.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

<u>Excess water usage</u>	<u>Surcharge</u>
1 gallon to 1,000 gallons above expected design flow	\$175.00
1,001 gallons to 2,000 gallons above expected design flow	\$200.00
Over 2,000 gallons above expected design flow	\$200.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%
Disconnection - \$10
Reconnection - \$15
Returned Check - \$20
City of Coopertown Franchise Fees: 3%

Tariff Rate Sheet

Commercial Sewer Rates – with food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$100 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$94.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$18.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

<u>Treatment</u>	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
	<u>Sand-Gravel Filter</u>	\$170.00	\$192.00
	<u>Lagoon</u>	\$142.00	\$163.00
	<u>* Off Site</u>	N/A	N/A
			Pass through costs & \$94.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$142.00 per 1000 gallons of daily flow.

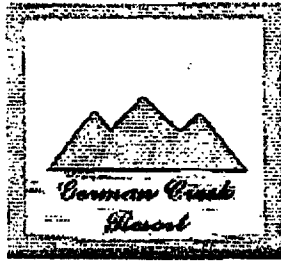
Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

<u>Excess water usage</u>	<u>Surcharge</u>
1 gallon to 1,000 gallons above expected design flow	\$210.00
1,001 gallons to 2,000 gallons above expected design flow	\$220.00
Over 2,000 gallons above expected design flow	\$220.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%
Disconnection - \$10
Reconnection - \$15
Returned Check - \$20
City of Coopertown Franchise Fees: 3%



CHEROKEE LAKE DEVELOPMENT, LLC

9724 Kingston Pike, Ste. 206

Knoxville, TN 37922

865/357-7700

865/357-7701(fax)

April 19, 2005

Tennessee Regulatory Authority

Dear Gentlemen:

Cherokee Lake Development, LLC desires for Tennessee Wastewater Systems, Inc. to be the managing utility for the wastewater treatment system for the project German Creek Resort.

Sincerely:

A handwritten signature in black ink, appearing to read "John Mashburn", followed by a long horizontal line.

John Mashburn
Cherokee Lake Development, LLC

Copy to:
File



OFFICE OF COUNTY EXECUTIVE
GRAINGER COUNTY
P.O. BOX 126
RUTLEDGE, TENNESSEE 37861



PAUL Q. MERRITT
COUNTY EXECUTIVE

TELEPHONE
(865)828-3513
FAX
(865)828-4284

April 4, 2005

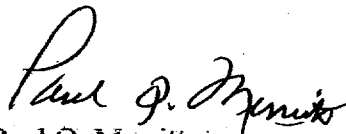
Michael Hines, Vice President
Tennessee Wastewater Systems, Inc.
P.O. Box 22771
Knoxville, TN 37933-0771

Dear Mr. Hines:

In response to your letter dated March 30, 2005, please be advised that Grainger County does not have any plans to provide sewers within the next twelve months to the area that includes the proposed German Creek Marina and Resort residential/commercial development.

If you have any further questions or inquiries, please feel free to contact me.

Sincerely,


Paul Q. Merritt
County Mayor

ed

BEAN STATION UTILITY DISTRICT

584 Broadway Dr.

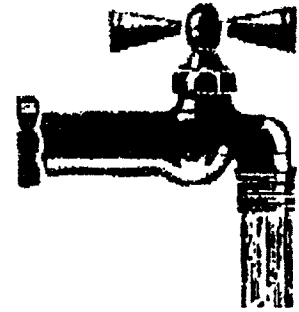
P.O. Box 52

Bean Station, Tennessee 37708

Telephone: (865) 993-2326

Fax: (865) 993-2313

April 7, 2005



Mr. Michael Hines
Tennessee Wastewater Systems, Inc.
P.O. Box 22771
Knoxville, TN 37933-0771

Dear Sir:

In response to your letter of March 30, 2005, the Bean Station Utility District does not provide sewer service at all. The Utility is responsible only for potable water distribution only and will be able to provide that service only to the German Creek Marina and Resort development. There are no immediate or future plans that have been discussed by the Board of Commissioners which oversee the Utility District.

At the Board Meeting on March 11, 2005 the policy on sewer was adopted and a copy has been enclosed with this letter.

If you have any other questions, please call me at (865) 993-2326.

Sincerely,

A handwritten signature in cursive script that reads "Teresa Perrin". The signature is fluid and stylized, with the first letters of the first and last names being capitalized and prominent.

Teresa Perrin
General Manager
Bean Station Utility District

BEAN STATION UTILITY DISTRICT POLICY ON SEWER

Adopted: March 11, 2005

Bean Station Utility is not certified to provide sewer service in our District.
The City of Bean Station, Grainger County Mayor and "The Bluffs"
Condominium Project have approached the Utility District concerning
The billing of their individual projects with sewer service.

The Bean Station Utility District, when required, will fax a print-out of
water customers water usage to whomever is certified by the State to provide
sewage service within our service areas. The Utility District will also be
willing, when requested, to provide a billing service only for sewage
customers within the various plants. Each plant would be required to mail
bills to customers, receive payments and maintain their own form of
disconnection for non-payment. **Bean Station Utility District will not mail
bills, receive payments, receive phone calls, or disconnect service for
non-payment of sewer bills.**

FEES

**Bean Station Utility District will charge the following to any certified
plant within our service area for sewer billing service.**

**\$150.00 one time set up fee
\$1.25 per card/customer for monthly billing service**

**Teresa Perrin
General Manager
Bean Station Utility District**

CITY OF BEAN STATION

**P O BOX 520
785 MAIN STREET
BEAN STATION, TN 37708
(865) 993-3177
fax (865) 993-3619**

Mayor, Rick Brewer

Aldermen:

Mark Libbey

Scott Satterfield

Fiddle Windhead

Steve Winstead

April 15, 2005

**Mr. Michael Hines, M.S., P.E.
Vice President
Tennessee Wastewater Systems, Inc.
P.O. Box 22771
Knoxville, TN 37933-0771**

Re: City of Bean Station

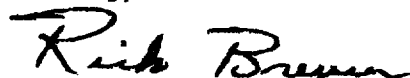
Dear Mr. Hines:

We received your letter dated March 30, 2005. In your letter, you indicate Tennessee Wastewater Systems, Inc. has been requested to provide sewerage service to the proposed German Creek Marina and Resort development. As such, you have asked if the City of Bean Station will provide sewer to this property within the next twelve months.

Although the City is in the planning stages for a new regional sewer system that will provide sanitary sewer collection and treatment to the City and surrounding areas in Northern Grainger County, we do not anticipate having sewer available within the next twelve months.

Please do not hesitate to contact me or our Engineer, Mr. Mike MacIndoe with Fulghum, MacIndoe & Associates, Inc. at 865-690-6419.

Sincerely,



Rick Brewer, Mayor

cc: Mr. Mike MacIndoe, Fulghum, MacIndoe and Associates, Inc.

[illegible]

Exhibit A"
German Creek Marina & Resort

— REVISIONS —

11-10-74	6 8-88	116/00
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- REVISIONS -		
1 10-74	6 8-88	11 6/00
2 1/1/77	7 4/90	12 5/02
3 9/81	8 1/93	13
4 5/85	9 12/95	14
5 6-86	10 4/98	15

SCALE: 1
DATE OF: 1
DATE COM: 1
HUNNICUT